

WEINER BRODSKY SIDMAN KIDER PC

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RECORDATION NO. 18718-N FILED

May 8, 2003

MAY 8 '03 12:31 PM

SURFACE TRANSPORTATION BOARD

BY HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

**Re: Release of Security Interest In Certain Rail Equipment Created by
Recordation No. 18718 and Any and All Amendments Thereto.**

Dear Secretary Williams:

Enclosed are four (4) originals of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the United States Code.

This document is a secondary document, a RELEASE, dated April 25, 2003, of all right, title and interest of Bank of America ("Bank") in the rail equipment indicated below.

The RELEASE amends that primary document recorded February 24, 1994 with the Interstate Commerce Commission ("ICC") under recordation number 18718 (the "Original Security Document"). The Original Security Document previously has been amended by other secondary documents, including (without limitation) an Amended, Restated Consolidated Security Agreement filed with the Surface Transportation Board ("Board") on August 12, 1998, under recordation number 18718-H; an Amended, Restated and Consolidated Security Agreement filed with the Board on March 15, 2000, under recordation number 18718-J; an Amended and Restated Security Agreement filed with the Board on January 11, 2002, under recordation number 18718-K; a First Modification of Amended and Restated Loan Documents filed with the Board on August 13, 2002, under recordation number 18718-L; and a First Modification of Amended and Restated Loan Documents filed with the Board on March 25, 2003, under recordation number 18718-M.

The names and addresses of the parties to the documents are as follows:

Lender:

Bank of America, N.A., Knoxville, Tennessee (successor by merger to
NationsBank of Tennessee, N.A.)
P.O. Box 17
Knoxville, TN 37901

Borrower:

Gulf & Ohio Railways Holding Co., Inc., and any and all affiliates, which
includes:

Conecuh Valley Railroad Co., Inc.
Gulf & Ohio Railways, Inc.
Knoxville & Holston River Railroad Co., Inc.
Knoxville Locomotive Works, Inc.
Laurinburg & Southern Railroad Co., Inc.
Lexington & Ohio Railroad Co., Inc.
Piedmont & Atlantic Railroad Co., Inc.
Rocky Mount & Western Railroad Co., Inc.
Tennessee Railcar Services, Inc.
Three Notch Railroad Co., Inc.
Wiregrass Central Railroad Company, Inc.

All with a corporate office at:
401 Henley Street, Suite 5
Knoxville, TN 37902

The equipment covered by this RELEASE consists of the 2 Locomotives with respective numbers and markings of LXOH 206 and LXOH 7738, and 40 Boxcars with numbers and markings as follows: LRS 7224-7264 (not inclusive); LXOH 2701-2707 (formerly MSDR 2701-2707) (both not inclusive); LXOH 7201-7232 (certain of which were formerly LRS 7201-7232) (not inclusive); LXOH 210508-LXOH 210847 (not inclusive); MSDR 7211, and MSDR 7213, all as more specifically described in Attachment 1 to the RELEASE.

A fee of \$30.00 is enclosed. Please return any originals not needed by the Surface Transportation Board for recordation to:

WEINER BRODSKY SIDMAN KIDER PC

Honorable Vernon Williams

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May 8, 2003

Troy W. Garris
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW
Fifth Floor
Washington, D.C. 20036-1609

A short summary of the document to appear in the index follows:

A RELEASE in favor of Gulf & Ohio Railways Holding Co., Inc. (and its affiliates), dated effective April 25, 2003, of any right, title and interest that Bank of America, Knoxville, Tennessee (successor by merger to NationsBank of Tennessee, N.A.) may have in and to the 2 Locomotives with respective numbers and markings of LXOH 206 and LXOH 7738, and the 40 Boxcars with numbers and markings as follows: LRS 7224-7264 (not inclusive); LXOH 2701-2707 (formerly MSDR 2701-2707) (both not inclusive); LXOH 7201-7232 (certain of which were formerly LRS 7201-7232) (not inclusive); LXOH 210508-LXOH 210847 (not inclusive); MSDR 7211, and MSDR 7213, all as more specifically described in Attachment 1 to the RELEASE, as any such right, title and interest may have been created by that primary document between said parties recorded February 24, 1994 with the ICC under recordation number 18718, and any and all amendments thereto.

Very truly yours,



Troy W. Garris
Weiner Brodsky Sidman Kider PC
1300 19th Street, NW
Fifth Floor
Washington, D.C. 20036-1609

Attorneys for:
Gulf & Ohio Railways Holding Co., Inc.

Enclosures

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SURFACE TRANSPORTATION BOARD

RELEASE

Release, effective as of the 25th day of April, 2003, by BANK OF AMERICA, N.A., Knoxville, Tennessee, a national banking association (successor by merger to NationsBank of Tennessee, N.A.) (together, "Lender") in favor of GULF & OHIO RAILWAYS HOLDING CO., INC., and any and all of its affiliates (together, "Borrower").

Recitals

1. The Borrower has heretofore executed and delivered to the Lender an original security agreement (the "Original Agreement"), which was recorded with the Interstate Commerce Commission on February 24, 1994, under recordation number 18718. The Original Agreement previously has been amended by other secondary documents, including (without limitation) an Amended, Restated Consolidated Security Agreement filed with the Surface Transportation Board ("Board") on August 12, 1998, under recordation number 18718-H; an Amended, Restated and Consolidated Security Agreement filed with the Board on March 15, 2000, under recordation number 18718-J; an Amended and Restated Security Agreement filed with the Board on January 11, 2002 under recordation number 18718-K; a First Modification of Amended and Restated Loan Documents filed with the Board on August 13, 2002, under recordation number 18718-L; and a First Modification of Amended and Restated Loan Documents filed with the Board on March 25, 2003, under recordation number 18718-M. The Original Agreement and any and all amendments thereto together are hereinafter called the "Security Agreement".

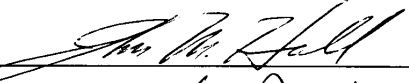
2. The amount of the obligations by Borrower to Lender have been satisfied to the extent that the Lender has agreed to RELEASE any right, title and interest it may have in and to the two locomotives and 40 boxcars specifically described in Attachment 1 hereto ("Collateral"). The Borrower has requested that the Lender release its interest in the Collateral and the Lender has agreed.

Agreement

NOW, THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender hereby RELEASES all right, title and interest in and to the Collateral, as defined above, as such right, title and interest may arise under the Security Agreement.

IN WITNESS WHEREOF, Lender has caused this Release to be executed and delivered, effective as of the date first written above.

Bank of America, N.A.

By: 
Its: Senior Vice President

STATE OF Tennessee)
)
COUNTY OF Knox)

On this 6th day of May, 2003, before me personally appeared John M. Hall, to me personally known, who being by me duly sworn, says that (s)he is the Senior Vice President of Bank of America, N.A. that the foregoing instrument was signed and sealed on behalf of said banking association by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said banking association.

[SEAL]

Doris R. Phillips

Signature of Notary Public

My commission expires:

My Commission Expires
02/04/07

ATTACHMENT 1
LIEN RELEASED ON FOLLOWING LOCOMOTIVES AND BOXCARS

LOCOMOTIVES

| MARKS | NOS. | MODEL |
|--------------|-------------|--------------|
| LXOH | 206 | GP-9 |
| LXOH | 7738 | GP-8 |

BOXCARS

| CURRENT | | FORMER | | CURRENT | |
|----------------|-------------|---------------|-------------|----------------|---------------|
| MARKS | NOS. | MARKS | NOS. | MARKS | NOS. |
| LRS | 7224 | | | LXOH | 210508 |
| LRS | 7225 | | | LXOH | 210601 |
| LRS | 7230 | | | LXOH | 210628 |
| LRS | 7232 | | | LXOH | 210661 |
| LRS | 7234 | | | LXOH | 210672 |
| LRS | 7240 | | | LXOH | 210697 |
| LRS | 7241 | | | LXOH | 210732 |
| LRS | 7251 | | | LXOH | 210778 |
| LRS | 7255 | | | LXOH | 210790 |
| LRS | 7264 | | | LXOH | 210847 |
| LXOH | 2701 | <i>MSDR</i> | <i>2701</i> | MSDR | 7211 |
| LXOH | 2703 | <i>MSDR</i> | <i>2703</i> | MSDR | 7213 |
| LXOH | 2705 | <i>MSDR</i> | <i>2705</i> | | |
| LXOH | 2707 | <i>MSDR</i> | <i>2707</i> | | |
| LXOH | 7201 | <i>LRS</i> | <i>7201</i> | | |
| LXOH | 7207 | <i>LRS</i> | <i>7207</i> | | |
| LXOH | 7208 | | | | |
| LXOH | 7210 | | | | |
| LXOH | 7212 | | | | |
| LXOH | 7242 | | | | |
| LXOH | 7246 | <i>LRS</i> | <i>7246</i> | | |
| LXOH | 7247 | <i>LRS</i> | <i>7247</i> | | |
| LXOH | 7248 | <i>LRS</i> | <i>7248</i> | | |
| LXOH | 7253 | <i>LRS</i> | <i>7253</i> | | |
| LXOH | 7267 | <i>LRS</i> | <i>7267</i> | | |
| LXOH | 7228 | <i>LRS</i> | <i>7228</i> | | |
| LXOH | 7233 | <i>LRS</i> | <i>7233</i> | | |
| LXOH | 7237 | <i>LRS</i> | <i>7237</i> | | |